

time for young Americans to serve their nation in battle, Congressman McKeivitt did just that, serving admirably and with distinction in the Korean War with the United States Air Force. After graduating from the University of Denver with a Law Degree, Congressman McKeivitt began his distinguished political career as Denver District Attorney in 1967. He went on to win reelection the following year and served two more years before running for Congress. In 1970 he was elected to represent the 1st Congressional District of Colorado in the United States House of Representatives. Although Congressman McKeivitt only served one term in Congress, his career in public service was far from over.

In 1973, he became Assistant Attorney General for Legislative Affairs, under President Nixon. He soon moved on to becoming Council to the Energy Policy Office in the White House. After serving his country in these important capacities, he moved on to the private sector where he became head of the Washington Office of the National Federation of Independent Business, where he worked for over a decade.

While serving our country in many different ways, Congressman McKeivitt experienced a number of successes. But his greatest accomplishment is one that he held very dear to his heart: the Korean War Memorial. Congressman McKeivitt is credited with being one of the driving forces behind getting the legislation passed in order for the memorial to be constructed. His devotion to this project was so evident that it soon caught the attention of President Reagan, who acted quickly and appointed the Congressman to a position on the Advisory Board.

Congressman McKeivitt served his community, State and Country admirably. His dedication and devotion to serving his fellow citizens was truly remarkable. He was a truly great American and his many accomplishments will live on in the hearts of all who knew him.

Mr. Speaker, on behalf of the State of Colorado and the US Congress, I ask that we now pay tribute to this remarkable human being. He may be gone, but his spirit of service and sacrifice will live on for years to come.

THE UNITED/US AIRWAYS MERGER: A MATTER OF SURVIVAL

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 2, 2000

Mr. SHUSTER. Mr. Speaker, America's aviation system has been hurtling toward gridlock and potential catastrophes in the skies. Flight delays, cancellations, high fares, and complaints about customer service have been all too common. The problem is an aviation system that has not expanded to keep up with demand.

Fortunately, help is on the way. Taking effect in October, the recently enacted Aviation Investment and Reform Act for the 21st Century (AIR 21) will provide over the next 3 years \$40 billion primarily from the Aviation Trust Fund for new runways, gates, and terminals to promote expanded competition and meet the demands of the next century; it will also accelerate efforts to modernize our antiquated air traffic control system. The result will be safer

travel, lower fares, and better service. But these changes won't come overnight. The problem caused by underinvestment have been festering for decades and will take years to fix. In fact, air service may get worse before it gets better.

It is against this background of an overburdened aviation system that the proposed merger of United and US Airways would appear to some as further hurting consumers. However, the opposite is true. It is the status quo that will hurt consumers. And the merger will help them, not hurt them. Let me explain why.

In June, the U.S. House of Representatives Committee on Transportation and Infrastructure, which I chair, held 2 days of hearings on the proposed merger. We heard from the chairmen of United, US Airways, and the new D.C. Air as well as the U.S. Departments of Justice and Transportation, plus several opponents of the merger. These hearings and our subsequent review have yielded much information.

Should this merger not go forward, consumers will almost certainly suffer under the status quo. US Airways is headed for financial trouble in the next few years. It will be unable to support its current system. There will be no alternative but to downsize. Retrenchment probably won't be enough. Bankruptcy is the most likely outcome, with its devastating impact on consumers and service.

Consider these facts: US Airways' labor cost of 14 cents per available seat mile is 40 percent higher than the 9.0 to 9.5 cent cost for other major carriers and almost double the 7.5 cent cost of low-cost carriers like Southwest. At a time when other airlines have been making record profits, US Airways has been hemorrhaging losses. Prior to the second quarter of this year, it lost about \$370 million over a 9-month period. During the 1990's, US Airways has lost almost \$1 billion. All of the other mid-sized, mature-cost carriers like US Airways have either gone out of business (e.g., Eastern, Pan Am) or have gone through multiple bankruptcies (e.g., Continental, TWA).

US Airways has a growing list of unprofitable routes and is losing passengers at its hubs. During the latest calendar year, only 46 percent of its routes were profitable, down from 69 percent and 62 percent in the two previous years. And while other airline hubs were growing, US Airways' three hubs in Pittsburgh, Philadelphia, and Charlotte were among only seven major airports that lost passengers in 1999.

Should the merger be approved, on the other hand, consumers will likely realize significant benefits. First, consumers would have for the first time single-carrier access to all corners of the country. Airline service will be improved by combining United's primarily east-west flight network with US Airways' north-south network. United also plans to improve service by offering 64 new non-stop domestic flights and 29 non-stop international flights a day, as well as by creating 560 new city-to-city routes. And their frequent flyer programs will be merged. United is committed to doing all of this while continuing to serve all cities currently served and capping fares for the next two years.

Second, smaller cities, particularly those served by US Airways, will benefit from the greater international access they will receive through United, improving their opportunities

to compete for business and tourism overseas. These communities will benefit from the new passenger demand that will be stimulated by the combined network. For example, United has projected that demand for service to Pittsburgh will increase by 33 percent from Allentown, 10 percent from Harrisburg, 16 percent from Albany, and 10 percent from Syracuse. This increased yield will make short haul routes to smaller communities more profitable and easier to continue.

Third, with the merger, a new low-cost carrier will be established, based in the Washington, DC, area. This carrier will receive slots at Ronald Reagan National Airport, and be able to compete against United and the other carriers.

That is why the proposed United/US Airways merger is so important. In the best case, the merger will provide tremendous opportunities for growth and improved service. But even if not all of these opportunities materialize, consumers will still be far better off than they otherwise would have been under a retrenched or bankrupt US Airways.

One final point: United's recent labor woes should not be a factor in evaluating the merger. These problems—similar to problems experienced by American and Continental in the past—are not unusual in the aviation industry and are transitory in nature.

In conclusion, we need to be realistic about the prospects for US Airways. Consumers will be better off hitching their wagon to a big and strong United Airlines than a financially endangered US Airways.

ALTERNATIVES TO OIL SHOULD BE PURSUED

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 2, 2000

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues the following editorial from the September 24, 2000, Lincoln Journal Star. The editorial expresses concern about some of the proposals which have been offered to address rising oil costs. As the editorial emphasizes, the U.S. should encourage alternatives to oil such as wind energy and other renewable sources. Clearly, ethanol provides an attractive alternative which helps the rural economy while helping to meet energy needs.

[From the Lincoln Journal Star, Sept. 24, 2000]

OIL PRICES GENERATING BAD IDEAS

More than a quarter century has passed since Americans waited in lines to buy high priced gasoline.

There was plenty of time to find new energy efficiencies and develop diversified energy resources. Now we're paying the price for letting things slide.

You'd think the view of the future should have been a little better from those high seats in gas-guzzling SUV's.

Gas prices have spiked to their highest level in the past 10 years. A barrel of crude has tripled in price to almost \$40 in the past two years. American concern might not have reached the emotional levels in Europe, where truckers blocked roads in protest, but it won't take much for panic to spread.

Before oil price hysteria takes away good judgment, a few bad ideas need to be spiked.